

original

BEFORE THE FEDERAL ELECTION COMMISSION

GERALD L. JAECKS

Complainant,

v.

DANIEL W. HYNES, HYNES FOR SENATE, 19TH WARD
DEMOCRATIC ORGANIZATION, THOMAS C. HYNES,
ROSEMARY BILECKI, PETER BILECKI, 43RD WARD
DEMOCRATIC PARTY, PEGGY A. ROTH, CHARLES
R. BERNARDINI, FRIENDS OF VI DALEY, THOMAS
S. MOORE, VI DALEY, FRIENDS OF DAN HYNES,
JOHN SHERIDAN, MADISON COUNTY DEMOCRAT
CENTRAL COMMITTEE, MAC WARFIELD, SANGAMON
COUNTY DEMOCRATIC CENTRAL COMMITTEE,
PATRICK T. TIMONEY, DONALD E. STEPHENS
COMMITTEEMAN'S FUND, BRADLEY STEPHENS and
DONALD E. STEPHENS.

Respondents.

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FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

VERIFIED COMPLAINT FOR VIOLATIONS OF FEDERAL ELECTION CAMPAIGN ACT

Now comes the Complainant Gerald L. Jaecks and he complains against the Respondents
as follows:

Identity of the Parties

1. That Complainant is a citizen of the United States and the State of Illinois. Additionally, he
is a registered voter residing at 2551 West Pensacola Avenue, Chicago, Illinois 60618,
2. That Complainant is desirous of seeing that the rules, regulations and laws respecting the
financing of political campaigns for federal office are properly complied with. Specifically,

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- a. Complainant is concerned with the potential for governmental corruption which has, in the past, occurred when political campaign contributions were unlimited in amount, unlimited as to source, and were not required to be promptly, fully and accurately disclosed to the public.
- b. Complainant is particularly concerned that rules, regulations and laws respecting the financing of political campaigns for federal office can be violated and those violations concealed without enforcement of the prohibition against contributions directed or received through a conduit - by one person in the name of another. Particularly, Complainant seeks enforcement of the law that requires "(N)o person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person." 2 U.S.C. §441f.
- c. Complainant is particularly concerned that rules, regulations and laws respecting the financing of political campaigns for federal office can be violated and those violations concealed without enforcement of the prohibition against contributions directed or received through a state campaign finance committee – in what is, in effect, a "money laundering" scheme. Particularly, Complainant seeks enforcement of the regulation that requires:

11 C.F.R. § 110.3 Contribution limitations for affiliated committees and political party committees; Transfers
(2 U.S.C. § 441a(a)(5), 441a(a)(4)).

(d) Transfers from nonfederal to federal campaigns. Transfers of funds or assets from a candidate's campaign committee or account for a nonfederal election to his or her principal campaign committee or other authorized committee for a federal election are prohibited. However, at the option of the nonfederal committee, the nonfederal committee may refund contributions, and may coordinate arrangements with the candidate's principal campaign committee or other authorized committee for a solicitation by such committee(s) to the same contributors. The full cost of this solicitation shall be paid by the Federal committee.

- d. Complainant is particularly concerned that rules, regulations and laws respecting the financing of political campaigns for federal office can be violated in a scheme of provision circumvention and those violations concealed without enforcement of the prohibition against contributions directed or received through an Illinois state campaign finance committee in order to indirectly receive monies contributed by corporations, unions, foreign nationals, federal government contractors and contributors who have already reached federal contribution limits, all of which monies would be barred from direct receipt by federal committees. 11 C.F.R. §110.3(d).
3. Daniel W. Hynes ("Hynes") of 2020 West Bradley Place, Chicago, Illinois, is a candidate for the Democratic Party nomination for the office of United States Senator from the State of Illinois. Hynes currently serves the citizens of the State of Illinois in the capacity of State Comptroller. Absent his resignation because of election to the United States Senate, his term of office will extend to January of 2007. While Hynes may not be a formal officer of the Committee, he is its principal beneficiary and he exercises principal control of the Committee.
4. Hynes For Senate ("the Committee") of 1525 North Wells Street, Chicago, Illinois, is a political action committee the purpose of which is the promotion of the election of Respondent Hynes to the federal office he currently seeks. The Committee is registered with this Commission as committee # C00385252.
5. 19th Ward Democratic Organization of 10444 South Western Avenue, Chicago, Illinois is an Illinois campaign finance committee with the Respondent Candidate's father, Thomas C. Hynes, as its chair.
6. Thomas C. Hynes of 10620 South Fairfield, Chicago, Illinois is the duly elected Democratic Committeeman of the 19th Ward of the City of Chicago, the father of the Respondent Candidate, and serves as the Chairman of the Respondent 19th Ward Democratic Organization.
7. Rosemary Bilecki of 10615 South Fairfield, Chicago, Illinois is a member of the 19th Ward Democratic Organization.

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8. Peter Bilecki of 1953 West Henderson, Chicago, Illinois is the son of Rosemary Bilecki.
 9. 43rd Ward Democratic Party of 1525 North Wells Street, Chicago, Illinois, the same address as the Respondent Committee is an Illinois campaign finance committee with the Respondent Candidate's chief assistant at the Illinois Comptroller's Office, Peggy A. Roth, as its chair.
 10. Peggy A. Roth of 328 West Concord Place, Chicago, Illinois is the duly elected Democratic Committeeman of the 43rd Ward of the City of Chicago, Respondent Candidate's chief assistant at the Illinois Comptroller's Office, and serves as the Chairman of the Respondent 43rd Ward Democratic Party.
 11. Charles R. Bernardini, of 2233 North Halsted Street, Chicago, Illinois is a member of the 43rd Ward Democratic Party and the former duly elected Alderman of the 43rd Ward of the City of Chicago.
 12. Friends of Vi Daley of 2038 N Clark Street, Suite 379, Chicago, Illinois is an Illinois campaign finance committee with Thomas S. Moore of 111 West Washington Street, Suite 1100, Chicago, Illinois as its treasurer and Vi Daley as its principal.
 13. Vi Daley of 1807 North Orleans Street, Chicago, Illinois is the principal of Friends of Vi Daley and is a member of the 43rd Ward Democratic Party and the duly elected Alderman of the 43rd Ward of the City of Chicago.
 14. Friends of Dan Hynes of 1525 North Wells Street, Chicago, Illinois is an Illinois campaign finance committee with John Sheridan of 125 Sterling Lane, Wilmette, Illinois as its Chairman and Respondent Candidate Daniel C. Hynes as its principal.
 15. Madison County Democrat Central Committee of 855 East Ferguson, Wood River, Illinois is an Illinois campaign finance committee with Mac Warfield of 22 Devon Hill, Granite City , Illinois as its Chairman.
 16. Sangamon County Democratic Central Committee of 118 South 4th Street, Springfield, Illinois is an Illinois campaign finance committee with Patrick T. Timoney of 808 South Second Street, Springfield, Illinois as its Chairman.
 17. Donald E. Stephens Committeeman's Fund of 9921 West Norwood Street, Rosemont, Illinois is an Illinois campaign finance committee with Donald E. Stephens as principal and Bradley Stephens of 6029 North Hawthorne Street, Rosemont, Illinois as its Chairman.

18. Donald E. Stephens of 6021 North Hawthorne Street, Rosemont, Illinois is the duly elected Republican Township Committeeman of Leyden Township, County of Cook and actively controls the Committeeman's Fund named for him.

Alleged Violations

19. That the Complainant bases his allegations of this paragraph 19 on campaign finance reports published by this Commission, said reports being allegedly submitted by the Committee, Hynes for Senate. Further, Complainant bases his allegations of this paragraph 19 on campaign finance reports published by the Illinois State Board of Elections, said reports being allegedly submitted by the respective contributing committees.

Complainant alleges, upon information and belief that, in a "money laundering" scheme, the Committee, Hynes for Senate, arranged donations of unrestricted state campaign funds from its allied Illinois state campaign finance committee, Friends of Dan Hynes, to other Illinois state campaign finance committees which funds were later contributed back to the Committee through the conduits of the recipient Illinois state campaign finance committees (or their principals) all in violation of the Federal Election Campaign Act. 2 USC §441.

Specifically, the following transactions comprise the scheme:

Contributor	Recipient	Date	Amount	Recipient	Contributor	Date	Amount
Friends of Dan Hynes	19 th Ward Democratic Organization	1/28/2003	\$5,000.00	Hynes For Senate	Thomas Hynes	2/14/2003	\$2,000.00
					Thomas Hynes	3/27/2003	\$2,000.00
					Citizens For Hynes	3/31/2003	\$1,000.00
					Thomas Hynes	6/30/2003	\$6,000.00
19 th Ward Democratic Organization	Rosemary Bilecki	1/1/2003	\$1,500.00	Hynes For Senate	Peter Bilecki	3/31/2003	\$1,500.00
Friends of Dan Hynes	43 rd Ward Democratic Party	1/28/2003	\$5,000.00	Hynes For Senate	43 rd Ward Democratic Party	3/31/2003	\$1,000.00
					Charles Bernardini	9/8/2003	\$ 500.00
					Friends of Vi Daley	9/19/2003	\$1,000.00

20. That, as principal of the Committee, Daniel W. Hynes is legally responsible and culpable for accepting and receiving each of the illegal contributions alleged in ¶19 above.

21. That the Committee, Hynes for Senate, is legally responsible and culpable for accepting and receiving each of the illegal contributions alleged in ¶19 above.

22. That the state committees and individual contributors identified in ¶19 above are legally responsible and culpable for participating in the illegal contributions alleged in ¶19 above.

23. That the Complainant bases his allegations of this paragraph 23 on campaign finance reports published by this Commission, said reports being allegedly submitted by the Committee, Hynes for Senate. Further, Complainant bases his allegations of this paragraph 23 on campaign finance reports published by the Illinois State Board of Elections, said reports being allegedly submitted by the respective contributing committees.

- a. Complainant alleges, upon information and belief that, in a provision circumvention scheme, the Committee, Hynes for Senate, arranged, received and accepted contributions of unrestricted state campaign funds from its allied Illinois state campaign finance committee, Friends of Dan Hynes, and from other Illinois state campaign finance committees in order to indirectly receive monies contributed by corporations, unions, foreign nationals, federal government contractors and contributors who have already reached federal contribution limits, all of which monies would be barred from direct receipt by the federal Committee all in violation of the Federal Election Campaign Act. 2 USC §441; 11 C.F.R. §110.3(d).

Specifically, the following transactions in excess of \$500.00 exemplify the scheme:

Contributor	Date	Amount
Friends of Dan Hynes	3/31/2003	1,000.00
Friends of Vi Daley	9/19/2003	1,000.00
Madison County Democrat Central Committee	8/27/2003	1,000.00
Sangamon County Democratic Central Committee	9/23/2003	1,000.00
19 th Ward Regular Democratic Organization	3/31/2003	1,000.00
43 rd Ward Democratic Party	3/31/2003	1,000.00
Citizens for Hynes	3/31/2003	1,000.00
Donald E. Stephens Committeeman Fund	3/3/2003	1,000.00

24. That, as principal of the Committee, Daniel W. Hynes is legally responsible and culpable for arranging, accepting and receiving each of the illegal contributions alleged in ¶23 above.
25. That the Committee, Hynes for Senate, is legally responsible and culpable for arranging, accepting and receiving each of the illegal contributions alleged in ¶23 above.
26. That the state committee contributors identified in ¶23 above are legally responsible and culpable for participating in the illegal contributions alleged in ¶23 above.

Prayer for Relief

WHEREFORE, the Complainant herein prays that this Commission investigate each of the above allegations, issue a determination that each named individual and entity above is in violation of the Campaign Finance Act as charged, and assess such fines and other penalties as this Commission shall determine.

Respectfully submitted,


Gerald L. Jaecks

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Chicago, Illinois 60618
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Email: Gjaecks@aol.com

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

Verification Under Oath

Now comes Gerald L. Jaecks and, after first being duly sworn, deposes and says that he is the Complainant herein, that he has read the foregoing Complaint and he swears that he knows the facts alleged are true from his review of campaign finance reports published by the Federal Election Commission and the Illinois State Board of Elections. As to those facts alleged upon information and belief, Complainant states that he has made reasonable inquiry into those facts, has performed research, has read the research of others and that he verily believes that every fact alleged to be true.

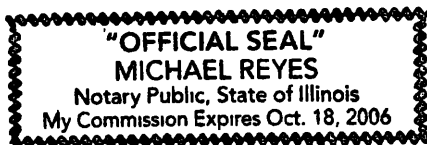


Gerald L. Jaecks

Sworn to and subscribed before me by Gerald L. Jaecks
this 29th day of January, 2004.

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